



FROM THE OFFICE OF STATE TREASURER BRIAN K. KROLICKI

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TREASURER KROLICKI MEETS WITH SEC CHAIRMAN DONALDSON

(Washington, DC) – State Treasurer Brian K. Krolicki met today with Securities and Exchange Commission (SEC) Chairman William Donaldson, following up on the corporate governance issues recently addressed in meetings with the New York Stock Exchange (NYSE). Among the issues addressed was the proposed rule on proxy access by shareholders that the SEC will be issuing soon. As president of the National Association of State Treasurers, Treasurer Krolicki was representing more than \$1 trillion invested in the capital markets and stock exchanges.

“Today’s meeting continues our work in protecting the shareholder interests of the states and our citizens and in enhancing investor confidence in the financial markets,” said Treasurer Krolicki. “We emphasized to the SEC our belief that there must be a legitimate mechanism in place for shareholders to affect sound corporate change when appropriate.”

On the issue of proxy access, Treasurer Krolicki told the SEC the election of independent directors is one of the most powerful tools shareholders can use to influence the strategic direction of a company. “Too many board members at too many companies have failed to adequately fulfill their responsibilities and have not been acting in the best interest of shareholders.” When this happens, said Krolicki, shareholders need a process that allows them to replace those board members and install qualified replacements. “Companies should provide meaningful access to management proxy materials for long-term investors so they may affect positive change in corporate behavior.”

“Voting as a shareholder is not a privilege, it’s a right,” stated Treasurer Krolicki. “And that was the message delivered to the SEC today on behalf of all investors.”

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